

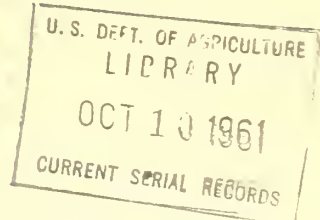
Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

volume
9
#2F

Foreign

CROPS AND MARKETS



FOR RELEASE MONDAY, OCTOBER 9, 1961

Volume 83

CONTENTS

Number 15

COTTON

Italian Cotton Industry Expects Favorable Season	18
Higher Domestic Cotton Prices Established by India	20
India Announces Cotton Import Quota	21

DAIRY AND POULTRY PRODUCTS

French Exports of Dairy Products Up Sharply	5
---	---

FATS, OILSEEDS, AND OILS

Brazil To Sell Vegetable Oils to Mainland China	19
Rhodesias-Nyasaland Expects Record Tung Nut Crop	21
India Sets Peanut Export Quota	21

FOREIGN TRADE DEVELOPMENTS

Portugal Replaces Export Boards of Angola and Mozambique	5
Mozambique's Exports May Rise	5

FRUITS, VEGETABLES, AND NUTS

Italy's Commercial Walnut Production Below Average	6
Spain's Raisin Production Slightly Below Average	10
Smaller Walnut Harvest Forecast in France	11
Turkish Raisin Crop Up	12
Greek Dried Fig Pack Above Average in Size	12
Turkish Dried Fig Pack Establishes Record	19

(Continued on following page)

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D. C.

CONTENTS (Continued)

Page

GRAINS, FEEDS, SEEDS, AND HOPS

Italy Buys More U.S. Wheat.	10
Canadian Wheat and Flour Exports Rise 23 Percent.	14
Canada Must Import More Feed Grain.	16
Australian Rice Yields Establish Record	16
Bean, Pea, and Lentil Crops Smaller in France	17
Outturn of Beans, Peas, and Lentils Lower in Yugoslavia	20

LIVESTOCK AND MEAT PRODUCTS

Australia Ships Meat to U.S.	7
Surplus Vicuna Wool To Be Sold in Peru	8
Mexico Sets Export Quotas for Cattle and Beef	8
U.S. Hog Cholera Campaign To Stimulate Pork Exports	9
Italian Livestock and Meat Group To Visit U.S.	13
Australia Seeks Sheep Market in Latin America	17

SUGAR, FIBERS, AND TROPICAL PRODUCTS

Pyrethrum Production Increased in Kenya and Tanganyika.	4
Turkish Sugar Imports Unlikely	6
International Coffee Agreement Extended	7

TOBACCO

Denmark's Tobacco Imports Larger	3
Flue-Cured Tobacco Sales Near End in Rhodesia	3
Belgium Imports More Tobacco	3

ooOoo

L A T E N E W S

A tender has just been granted for imports of U.S. butter into West Berlin. The amount of the tender was not disclosed, but probably is quite small. Licenses will be limited to importers residing in West Berlin. Application for licenses will be open until October 10 and custom clearance until December 31. Butter must be equal in grade to "Dutsche Marken Butter."

FOREIGN CROPS AND MARKETS reports weekly on foreign crop and livestock production, consumption, prices, supplies, and trade. It is distributed free to persons in the United States who request it. If you no longer need this publication, please tear off the name-and-address imprint, write "Drop" on it, and send it to the Foreign Agricultural Service, Room 5922, U.S. Department of Agriculture, Washington 25, D.C.

DENMARK'S TOBACCO
IMPORTS LARGER

Danish imports of unmanufactured tobacco in the first 6 months of 1961 totaled 13.1 million pounds--about 5 percent more than in January-June 1960.

The U.S. share was 5¹/₄ percent this year, compared with 48 a year ago.

TOBACCO, UNMANUFACTURED: Denmark, imports by country of origin
January-June 1960 and 1961

Country of origin	January-June 1960	January-June 1961
	<u>1,000 pounds</u>	<u>1,000 pounds</u>
United States.....	6,021	7,094
Brazil.....	2,791	2,985
Indonesia.....	1,534	1,038
Other non-European countries ¹ / ₄ :	1,486	1,550
European countries ¹ / ₄ /.....	701	470
Total.....	12,533	13,137

¹/₄ Not available by country.

Source: Vareomaetningen Med Udlandet

FLUE-CURED-TOBACCO SALES
NEAR END IN RHODESIA

Auction sales of flue-cured tobacco at Salisbury, Southern Rhodesia, through the 27th week of the current marketing season totaled 224 million pounds at an average price equivalent to 40.0 U.S. cents. For the comparable period a year ago, sales totaled 216 million pounds at 40.1 cents. (Late reports indicate sales ended September 26.)

BELGIUM IMPORTS
MORE TOBACCO

Belgian imports of unmanufactured tobacco totaled 15.4 million pounds in January-March 1961--6 percent more than in the first quarter of 1960.

The United States supplied 3.9 million pounds in January-March 1961--about the same as in the corresponding periods of the 2 previous years. The U.S. share of the Belgian market continued to decline, amounting

to only 25.3 percent this year, compared with 26.7 in January-March 1960. Besides the United States, other major suppliers, in order of importance, were: Rhodesias-Nyasaland, India, and Greece.

TOBACCO, UNMANUFACTURED: Belgium 1/, imports by country of origin
January-March 1959-61

Country of origin	January-March		
	1959	1960	1961
	<u>1,000 pounds</u>	<u>1,000 pounds</u>	<u>1,000 pounds</u>
United States.....	3,847	3,879	3,894
Rhodesias-Nyasaland.....	1,143	1,464	1,437
India.....	515	518	1,164
Greece.....	968	997	1,058
Netherlands <u>2</u> /.....	596	801	961
Dominican Republic.....	979	933	951
Brazil.....	1,081	1,112	905
Indonesia.....	454	454	604
Turkey.....	305	--	440
Italy.....	451	329	288
Others.....	3,531	4,043	3,679
Total.....	13,870	14,530	15,381

1/ Includes Luxembourg. 2/ Reexports.

National Statistical Institute.

PYRETHRUM PRODUCTION INCREASED IN KENYA AND TANGANYIKA

The 1961 pyrethrum crops in Kenya and Tanganyika are expected to be nearly double those of recent years.

The outturn of this important source of nontoxic insecticide is continually being increased in both countries to meet the mounting demand in the United States, the major market, and in other countries.

In 1961, Kenya and Tanganyika are expected to furnish about 70 percent of the world's pyrethrum supplies. Combined exports of pyrethrum from the 2 countries in 1960 were valued at \$8.5 million. Shipments from Kenya constitute the country's fourth most valuable export. Pyrethrum production by both African and European farmers in these 2 countries is becoming increasingly important in mixed farming systems.

FRENCH EXPORTS OF DAIRY PRODUCTS UP SHARPLY

French shipments of dairy products were up substantially in the second quarter of 1961.

During April-June, the country exported 23 million pounds of butter, compared with 5 million in the same period of 1960. Almost all of the increase went to the following countries (last year's purchases are shown in parentheses): the United Kingdom, 11 million pounds (231,000); West Germany, 5 million (3 million); and Algeria, 4 million (1 million).

Cheese exports rose from 15 million pounds to 22 million, about 70 percent of which was soft varieties. Purchases by Algeria, the principal market, amounted to 10 million pounds--slightly higher than in the comparable period of 1960. Shipments to West Germany were 3 million, compared with one million last year; Italy took 2 million pounds, compared with 205,000 last year. Sales to most other important markets also showed gains.

Exports of condensed milk increased 4 million pounds to 14 million, more than half of which went to Algeria. Shipments of evaporated milk were 12 million pounds, compared with 7 million in April-June 1960. Principal outlets were Algeria and West Germany.

Dried milk exports of 30 million pounds were almost double those of the previous year. Of this quantity, 8 million pounds went to the Netherlands, 3 million to both Denmark and Hungary, 2 million each to the United Kingdom, West Germany, Italy, and Algeria.

PORTUGAL REPLACES EXPORT BOARDS OF ANGOLA AND MOZAMBIQUE

Portugal has abolished the Cereal, Coffee, and Cotton Export Boards of Angola and Mozambique, which were formerly located in Lisbon.

The boards were replaced by the Coffee and Cereal Institutes of Angola and the Cotton Institute of Angole and Mozambique, both of which will be located in the Portuguese provinces.

These administrative changes were designed to (a) help meet the demand for local administration of local affairs and (b) help alleviate the currency exchange problem that existed when expenses of these agencies in Portugal were paid from taxes collected in the overseas provinces. The overall economic policy, however, will be coordinated through ministries in Portugal.

MOZAMBIQUE'S EXPORTS MAY RISE

Preliminary trade statistics for the first half of 1961 place the value of Mozambique's exports, which are primarily agricultural, at about \$32.5 million--up \$2.5 million from the \$30 million shipped in the same period of 1960.

The country's exports to the United States in the first half of 1961, including small quantities of minerals, were valued at about \$2.1 million. Of this amount, sales of sisal were \$610,000 and tea \$544,000--the latter a significant increase in value over the previous year. Cashew kernels exported to the United States were valued at \$273,200, and shipments of cashew shell liquid, used in brake linings, adhesives, and plastics, were worth about \$50,000. Most of Mozambique's cashew nuts continue to be exported to India for shelling and grading and ultimate shipments to the United States.

TURKISH SUGAR IMPORTS UNLIKELY

Turkey will probably not import sugar in 1962, according to an announcement of the country's Directorate General of Sugar Plants on September 14.

Earlier press notices implied that Turkey might be required to make sugar imports next year because of drought-reduced yields of beets in some areas.

According to the Directorate General, refined sugar production this fall is expected to approximate 440,000 short tons, or about 20 percent more than expected domestic consumption. More than 100,000 tons from the 1960-61 season remained in stocks at the beginning of the 1961-62 sugar production campaign August 1, 1961. The sugar supply is such that the Directorate is continuing to watch for favorable opportunities to export.

ITALY'S COMMERCIAL WALNUT PRODUCTION BELOW AVERAGE

Italy's 1961 commercial walnut harvest is forecast at 19,000 short tons, unshelled--5,500 in Sorrento and 13,500 in the other areas.

This quantity is below the 26,500-ton 1960 crop and average production of 23,700 tons from 1954 through 1958.

The quality of this season's harvest of the Sorrento variety is reported to be fair, while the quality of varieties that are harvested later and are used primarily for shelling is said to be poor.

Italian walnut exports from September 1, 1960, through June 30, 1961, totaled 16,182 tons of unshelled and 1,481 tons of shelled. During this period West Germany, with 6,856 tons, was the leading purchaser of unshelled walnuts, followed by the United Kingdom with 3,323 tons. The United States was the leading market for shelled walnuts, with purchases of 488 tons. Walnut exports in 1959-60 totaled 13,755 tons of unshelled and 634 tons of shelled.

During the early part of September, 1961, Italian walnuts--Naples light halves--were reportedly quoted at 82.8 cents per pound, c.i.f., New York; unshelled walnuts were quoted at about 26.0 cents per pound for 26 mm and 28.4 cents for 28 mm.

AUSTRALIA SHIPS MEAT TO U.S.

Three ships left Australia during mid-September with 2,453,248 pounds of frozen beef for the United States.

Ship	Sailing date	Destination <u>1/</u>	Quantity
			<u>Pounds</u>
Mariposa	September 15	Los Angeles	238,336
		San Francisco	301,056
Pioneer Isle	do. 16	New York	403,200
		Boston	98,560
		Charleston	71,680
Gudrun Bakke	do. 17	Los Angeles	967,680
		San Francisco	96,768
		Seattle	213,248
		Portland	62,720

1/ Cities listed indicate location of purchaser and usually the port of arrival and general market area, but meat may be diverted to other areas for sale.

The Port Wyndham left Australia August 27 with 56,000 pounds of mutton--480 for New York and 51,520 for Philadelphia. The ship was due to arrive in Philadelphia September 24 and in New York September 28.

The City of Melbourne left Australia September 9 with 1,088,640 pounds of mutton and 91,840 of lamb. Destinations of this meat are unknown, but the ship is scheduled to stop at east coast ports.

INTERNATIONAL COFFEE AGREEMENT EXTENDED

The International Coffee Agreement was extended for one year, beginning October 1.

The agreement, renewed on September 27, is essentially unchanged from the conditions and terms established for 1960-61. Export quotas effective from October 1961 through March 1962 are the same as those for the same period of the previous year. Both 6-month quotas were further divided into 2 quarters. The total quota for the 6-month period beginning October 1 amounted to 18,250,575 bags, with 9,204,131 allocated for the first quarter and 9,046,444 for the second.

SURPLUS VICUNA WOOL
TO BE SOLD IN PERU

The Peruvian Ministry of Agriculture will soon hold a public sale to dispose of surplus vicuna wool.

The ministry will offer about 568 pounds of first-class wool; 290 pounds of second-class; and 769 pounds of third-class--all at prices said to be below the world market. First-class wool will be offered at about \$6.77 per pound, but may vary according to demand.

The vicuna is a species of wild llama living in the most inaccessible regions of the Andes near the snowline in Ecuador, Peru, and Bolivia. The animals are usually seen in small herds. It is impossible to domesticate them, and thus vicuna hair can only be obtained from animals that have been hunted and killed.

MEXICO SETS EXPORT QUOTAS
FOR CATTLE AND BEEF

Mexico has established export quotas for cattle and beef for the year beginning September 1.

The total quota, as in 1960, is 750,000 head--384,000 to be exported alive and 366,000 to be slaughtered for shipment (Foreign Crops and Markets, January 30, 1961). In addition to a specific quota by states, a reserve of 250,000 head has been set aside for use during an emergency or unforeseen developments in the industry. During the past several years, quotas have been maintained to prevent exports northward across the border from drawing supplies away from the larger cities of southern Mexico.

Exports of cattle and beef have been maintained at relatively high levels due to favorable U.S. prices. U.S. purchases of cattle and beef from Mexico in January-July were equivalent to 415,000 head. Cattle imports totaled 301,000 head--27 percent more than a year earlier. Beef and veal imports during January-July amounted to 31 million pounds, compared with 28 million a year earlier.

Range conditions in northern Mexico have been poor this year, and the demand for stocker cattle has been relatively weak. Livestock producers in Chihuahua and Sonora have requested permission to export heifers because of low prices in Mexico.

The new federally inspected packing plant at Tampico is now in operation but has exported little, if any, beef to the United States. Another federally inspected plant has been established at Penjamo, Guanajuato. This is the only inspected plant in the important "Bajio" hog-production region and is expected to produce mainly for the Mexico City market.

BEEF, VEAL, AND CATTLE: U.S. imports from Mexico, 1951-60,
and January-July 1960 and 1961

Year	Cattle and calves	Fresh and frozen beef and veal		Pickled and cured	Canned	Total
		Bone-in	Boneless			
	1,000 head	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
1951.....	---	---	---	47,749	3,603	51,352
1952.....	127	7,201	1/ 15,900	45,920	3,370	72,391
1953.....	128	3,412	1/ 13,702	7,112	727	24,953
1954.....	---	---	---	17,822	282	18,104
1955.....	248	1,578	8,743	53	2	10,376
1956.....	110	1,166	5,347	---	---	6,513
1957.....	336	86	12,790	---	---	12,876
1958.....	488	5,977	67,763	---	---	73,740
1959.....	365	10,102	38,439	---	---	48,541
1960.....	391	1,977	37,065	---	---	39,042
Jan.-July						
1960.....	245	1,852	26,515	---	---	28,367
1961.....	301	2,636	28,467	---	---	31,103

1/ Includes estimated amounts erroneously classified as other canned meats or preserved or prepared meat.

U.S. HOG CHOLERA CAMPAIGN
TO STIMULATE PORK EXPORTS

A new hog cholera eradication program in the United States, authorized by the enactment of Public Law 87-209, may increase U.S. exports of pork products.

The value of the foreign market lost to U.S. producers because of hog cholera is estimated to be \$15 million annually. Eleven countries now ban or restrict pork imports from the United States.

The new legislation authorizes the U.S. Department of Agriculture to prohibit or restrict interstate movement of "live" hog cholera virus. Use of this vaccine is considered dangerous because it can become a factor in the spread of the disease. Safe vaccines that confer immunization are available, and 39 states already ban or restrict the use of live viruses for immunization.

Other features of the new program are also designed to (a) further reduce the incidence of hog cholera in the United States, which is now at a 13-year low and (b) lead to its eventual eradication.

The United Kingdom, Austria, Sweden, Denmark, Australia, New Zealand, British Guiana, Colombia, and Belgium prohibit imports of U.S. pork products because of the prevalence of hog cholera. Jamaica prohibits the entry of U.S. fresh and frozen pork. Recent changes in Barbados animal import regulations will not permit the entry of fresh pork and pork products from the United States.

SPAIN'S RAISIN PRODUCTION SLIGHTLY BELOW AVERAGE

Spain's 1961 production of raisins is estimated at 13,000 short tons--5,000 in Malaga and 8,000 in Denia.

In 1960 and 1959, the outturns were estimated at 11,000 and 15,000 tons, respectively. Production from 1954 through 1958 averaged 14,300 tons.

Spanish raisin exports from September 1, 1960, through July 31, 1961, amounted to 6,750 tons. The largest markets and the quantities purchased during this period were: the United Kingdom, 1,108 tons; France, 939; and Algeria, 668. Total 1959-60 exports were approximately 12,000 tons.

In early September, Spain's new-crop raisins were reported as ranging from 14.0 cents to 17.0 cents per pound, c. and f., London. Raisins with seeds removed were being priced from 16.6 cents to 17.0 cents and, with seeds, at 14.4 cents to 15.9 cents per pound. Export prices at the beginning of the 1960-61 season ranged from 18.9 cents to 19.7 cents, rose to about 21.0 cents in December 1960, but by August 1961 had dropped to about 16.6 cents per pound.

ITALY BUYS MORE U.S. WHEAT

Italy accepted further bids on September 13 for U.S. hard, red, winter wheat, amounting to 162,500 metric tons.

Total U.S. wheat purchased by the country since August 10, 1961, now stands at 416,000 tons with an f.o.b. value of approximately 26 million dollars. Shipment of the entire quantity is to be made by November 30, 1961.

In addition to the U.S. wheat, 200,000 tons have been bought from Australia, and 200,000 tons will probably be imported from the U.S.S.R. under the terms of the current U.S.S.R.-Italian trade agreement.

The current unofficial estimate of Italy's 1961 wheat crop is 8.2 million tons, compared with earlier official estimates of 8.0 million. Total imports in 1961-62 are expected to be about 1 million tons.

SMALLER WALNUT HARVEST
FORECAST IN FRANCE

The 1961 commercial walnut crop in France is forecast at 26,500 short tons--down 1,500 from the 1960 harvest. Average production from 1954 through 1958 was 23,800 tons.

WALNUTS: France, supply and distribution, unshelled basis,
1959, 1960, and forecast 1961

Item	Year beginning October 1		
	1959	1960	1961
	Short tons	Short tons	Short tons
Beginning stocks.....	100	--	--
Commercial production.....	18,600	28,000	26,500
Imports.....	600	--	--
Total supply.....	19,300	28,000	26,500
Exports.....	9,500	18,500	17,000
Domestic consumption.....	9,800	9,500	9,500
Ending stocks.....	--	--	--
Total distribution.....	19,300	28,000	26,500

Commercial outturn this year in the Bordeaux region is expected to reach 20,000 tons, or about 500 less than in 1960. Production of the Cornes variety is expected to be slightly larger than last year while Marbots and other table varieties and shelling varieties probably will be slightly lower. In the Grenoble area, an average crop of about 6,500 tons is expected, compared with last year's unusually large crop of 7,500 tons.

The size of the walnuts this year may be a little smaller than last year owing to dry weather. Quality of the harvest is expected to run from fair to good.

French walnut exports from October 1, 1960, through July 31, 1961, totaled 12,245 tons of unshelled and 2,445 tons of shelled. During this 10-month period, West Germany was the largest market for unshelled walnuts, taking 7,007 tons, while the United Kingdom was the largest purchaser of shelled walnuts, taking 1,236 tons.

Walnut exports during the 1959-60 marketing season, when the crop was short, totaled 6,123 tons of unshelled and 1,359 tons of shelled.

Price quotations for shelled and unshelled walnuts from the 1961 crop, f.o.b., Bordeaux for late October or early November deliveries are reported as follows in cents per pound.

<u>Shelled</u>		<u>Unshelled</u>	
Bordeaux, extra halves	81.6	Cornes (extra)	25.9
Bordeaux, broken halves	68.0	Marbots (extra)	27.2
		Other varieties	24.5

In the Grenoble area, unshelled walnuts reportedly are being quoted at 31.8 cents per pound, f.o.b.

TURKISH RAISIN CROP UP

The 1961 Turkish raisin crop is estimated at 94,000 short tons--20,000 above the 1960 crop estimate and considerably larger than the average production of 71,200 tons from 1954 through 1958.

Exports during the just-concluded 1960-61 season are unofficially reported as 65,000 tons--well below the exceptionally large 1959-60 export volume of 88,900 tons. For the 1961-62 season, Turkey may have 83,000 tons available for export.

GREEK DRIED FIG PACK ABOVE AVERAGE IN SIZE

The 1961 Greek dried fig pack is now estimated at 30,000 short tons, or about 2,000 above an earlier forecast. The 1960 dried fig pack is estimated at 26,500 tons while production from 1954 through 1958 averages 28,800 tons.

The new pack is reported to be above the "average good quality." Endosepsis damage to this year's crop--estimated at close to 2 or 3 percent--is somewhat higher than in 1960. Insect damage, however, is reported to be extremely small. Size of the figs this year is larger than those of last year.

Composition of the 1961 crop qualitywise was expected to be about 15 to 20 percent grade A, 40 to 50 percent grade B, and 30 to 40 percent grade C. The quantity of low-grade figs--nonmarketable for edible purposes--is expected to be close to 6,500 tons, compared with 4,000 from the 1960 crop.

Greek exports of dried figs during the 1960-61 marketing year--which begins September 1--totaled 14,413 short tons, compared with 16,924 shipped in 1959-60. West Germany took about 35 percent of total 1960-61 exports while the Soviet Bloc countries' total was about 15 percent. Shipments of dried figs to France during 1960-61 were less than half those of the preceding season. This considerable drop in exports to France, plus the decline in shipments to India, resulted in about 1,650 tons of edible dried figs being turned over to the alcohol distillation industries in mid-spring.

FIGS, DRIED: Greece, exports by country of destination,
1958, 1959, and 1960 marketing season

Destination	Year beginning September 1		
	1958	1959	1960 <u>1/</u>
	Short tons	Short tons	Short tons
United States.....	2,080	1,290	1,768
<u>Europe</u>			
Austria.....	1,753	1,627	1,664
France.....	471	3,927	1,407
Germany, West.....	5,590	5,870	5,170
Germany, East.....	746	517	622
Hungary.....	2/	325	653
Switzerland.....	506	391	509
Other.....	2/	2/	2/
Total.....	9,066	12,657	10,025
<u>Other countries</u>			
India.....	2/	2/	57
U.S.S.R.....	2/	55	441
Other.....	4,583	2,922	2,122
Grand total.....	15,729	16,924	14,413

1/ Unofficial. 2/ If any, included in "Other" under "Other countries."

According to the Greek trade, 1961-62 dried fig exports may reach 16,500 tons.

Export prices for Greek dried figs this year open slightly higher than the 1960-61 opening levels. Prices, however, dropped to lower levels as of early September. Prices for U.S. grade figs ranged this season from 11.25 cents per pound to 13.0 cents c. and f., New York. Only a small portion of U.S. sales was reported to have been made at the 13.0 cents level, with most sales being made below 12 cents.

Exports of fig paste during the 1960-61 season--practically all to the United States--totaled 194 short tons. The average price obtained for the fig paste was reported to be about 8.25 cents per pound, c.i.f., New York.

ITALIAN LIVESTOCK AND MEAT GROUP TO VISIT U.S.

A study group of businessmen and technicians leaving Italy on October 15 for the United States will include a number of livestock and meat importers, according to the Italian press.

Italian imports of fresh and frozen meats will be one matter considered by the group during the visit.

The visitors will stop in New York City, where the Commissioner of Markets will explain wholesale and retail meat marketing operations. The group is also expected to visit Chicago, Omaha, Madison, and other meat centers in the east and mid-west.

CANADIAN WHEAT AND FLOUR EXPORTS RISE 23 PERCENT

Canadian wheat and flour exports from July 1960 through June 1961 totaled 343 million bushels--about 23 percent more than in fiscal year 1959-60.

Exports reached a peak in 1928-29 when 423 million bushels were shipped. The nearest approach to that record was the 392 million bushels exported in 1952-53.

Wheat exports from July 1960 through June 1961 totaled 306 million bushels, compared with 242 million a year earlier. The 1960-61 year started off with a gloomy outlook--low wheat prices and poor export demand. Beginning in January, 1961, with sales to various Soviet Bloc countries, prices firmed and export movements continued heavy the balance of the season. More than 37 million bushels were exported to Czechoslovakia, Russia, and Mainland China, during July-June 1960-61, compared with none the previous year.

Other countries taking more Canadian wheat in 1960-61 were West Germany, Italy, and Japan. Exports to the United Kingdom and India were below 1959-60.

The record in exports of wheat (in grain) was made in 1928-29 when 370 million were shipped abroad.

Flour exports from July 1960 through June 1961 totaled 36.8 million bushels (grain equivalent)--slightly below shipments in 1959-60. Most of the reduction was the result of smaller shipments to the United Kingdom, Ceylon, and the Philippines. Part of this loss was made up with larger shipments to Lebanon, plus a million bushels exported to Norway, compared with none the previous year.

The record for flour exports was established in 1946-47 when 77 million bushels (grain equivalent) were exported. The United Kingdom has been the principal market for Canadian flour throughout the years.

Total wheat and flour exports during the Canadian marketing year (August 1960-July 1961) are estimated at about 355 million bushels.

WHEAT AND FLOUR: Canadian exports by country of destination, July-June 1959-60 and
July-June 1960-61

Country of destination	July-June 1959-60			July-June 1960-61		
	Wheat	Flour 1/	Total	Wheat	Flour 1/	Total
	1,000	1,000	1,000	1,000	1,000	1,000
	bushels	bushels	bushels	bushels	bushels	bushels
Western Hemisphere:						
United States	2,002	1,541	3,543	2,635	1,346	3,981
Central America	113	1,859	1,972	71	1,793	1,864
Federation of West Indies	1	4,909	4,910	2/	4,160	4,160
Cuba	1	187	188	6	906	912
Chile	--	538	538	--	531	531
Ecuador	972	--	972	1,583	2/	1,583
Peru	2,723	6	2,729	1,816	5	1,821
Venezuela	3,440	5	3,445	3,172	31	3,203
Others	1,003	1,185	2,188	924	1,002	1,926
Total	10,255	10,230	20,485	10,207	9,774	19,981
Europe:						
Albania	--	--	--	2,355	--	2,355
Austria	3,519	--	3,519	1,529	--	1,529
Belgium-Luxembourg	10,812	150	10,962	12,130	187	12,317
Czechoslovakia	--	--	--	12,139	--	12,139
Finland	931	--	931	791	--	791
France	4,900	--	4,900	9,878	--	9,878
Germany, West	25,602	1	25,603	32,169	--	32,169
Ireland	1,337	--	1,337	3,296	--	3,296
Italy	2,179	--	2,179	14,884	4	14,888
Malta	1,666	--	1,666	1,199	--	1,199
Netherlands	8,123	2	8,125	5,782	5	5,787
Norway	3,173	--	3,173	3,843	1,012	4,855
Poland	4,872	--	4,872	2,328	--	2,328
Switzerland	8,156	--	8,156	6,551	--	6,551
United Kingdom	80,034	14,108	94,142	76,365	13,128	89,493
U.S.S.R.	--	--	--	7,511	--	7,511
Others	572	108	680	133	162	295
Total	155,876	14,369	170,245	192,883	14,498	207,381
Asia:						
Ceylon	--	1,413	1,413	--	567	567
China, Mainland	--	--	--	28,690	--	28,690
Hong Kong	270	702	972	468	768	1,236
India	6,596	--	6,596	3,955	--	3,955
Iraq	2,468	--	2,468	--	--	--
Israel	1,544	--	1,544	2,106	68	2,174
Japan	44,484	1,231	45,715	55,025	1,623	56,648
Lebanon	387	40	427	--	1,325	1,325
Malaya and Singapore	--	582	582	--	551	551
Pakistan	3,139	18	3,157	2,099	2/	2,099
Philippines	1,467	4,417	5,884	990	2,953	3,943
Others	778	1,109	1,887	571	952	1,523
Total	61,133	9,512	70,645	93,904	8,807	102,711
Africa:						
Algeria	2,255	--	2,255	--	--	--
Ghana	--	1,730	1,730	--	1,970	1,970
British Africa, n.e.c.	--	893	893	--	1,272	1,272
Republic of South Africa	6,390	--	6,390	1,065	--	1,065
Others	320	818	1,138	903	446	1,349
Total	8,965	3,441	12,406	1,968	3,688	5,656
Oceania	--	25	25	313	39	352
Unspecified 2/	5,741	--	5,741	6,717	--	6,717
World total	241,970	37,577	279,547	305,992	36,806	342,798

1/ In grain equivalent. 2/ Less than 500 bushels. 3/ Includes seed wheat.

CANADA MUST IMPORT MORE FEED GRAIN

Canadian imports of U.S. feed grains in the August 1961-July 1962 marketing year may equal 10 to 12 million bushels of oats and 25 to 30 million bushels of corn, according to current estimates. If the Canadian Government should approve the import of U.S. barley, this grain would replace some corn and oats.

Practically no oats have been imported into Canada from the United States for several years. Corn imports in 1960-61 amounted to 18.3 million bushels, and the 1951-61 average was 8.5 million.

Western Canadian barley prices at eastern Ontario ports have been 5 to 6 cents per bushel higher than comparable U.S. feed barley prices.

According to grain brokers in Winnipeg and Toronto, the Wheat Board has been granting oat import licences freely. Limited storage facilities in eastern Canada, however, are a problem.

Feed grain supplies for commercial trade in the Prairie Provinces are scarce this season. In some large wheat-producing areas, where 3 years ago wheat was sold locally for livestock feed at 60 cents per bushel, it is now being priced at \$1.40 to \$1.45. Oat prices are high on the Winnipeg exchange. Less than 10 million bushels reportedly will be shipped to eastern Canada this year, compared with a 10-year average of 30 million bushels.

Barley supplies are somewhat more plentiful, and 25 million bushels may go to eastern Canada, compared with the 10-year average of 18 million bushels. Feed wheat shipments to eastern Canada this season will be insignificant compared with the 10-year average of 18 million bushels. Total western feed grain shipments to eastern Canada are forecast at 45 million bushels in 1961-62, compared with last year's total of 78 million bushels and the 10-year average of 83 million.

Abundant fall pastures in most of eastern Canada will reduce feed requirements, especially for cattle. Normally at this time, pastures are finished, but this year many cattle will continue on pasture until snowfall.

AUSTRALIAN RICE YIELDS ESTABLISH RECORD

The highest commercial rice yields on record were harvested in Coleambally, Australia, last season.

Rough rice averaged 6,160 pounds per acre from 1,600 acres in the new irrigation area south of Murrumbidgee, Australia's main rice area.

Until the main irrigation dam of the Coleambally project is completed, water is available for only about 50 additional farms a year in the next

5 years. If the 250 farms to be settled within that period all plant the 60 acres allowed, rice acreage will increase about 15,000 acres by 1966.

BEAN, PEA, AND LENTIL CROPS SMALLER IN FRANCE

Acreage and production of beans, peas, and lentils in France dropped sharply in 1961.

Bean outturn is officially forecast at 22 percent below last year's production. Acreage was down 20 percent, and the crop was damaged by cold weather in May. The crop, even though small, is reportedly of unusually high quality.

Pea and lentil production is also expected to drop 44 and 33 percent, respectively, for the same reasons. A comparison of 1960 and 1961 acreage and production appears in the following table.

BEAN, PEA, AND LENTIL PRODUCTION: French acreage and
production, 1960 and 1961

Commodity	Acreage		Production	
	Final	Estimate	Final	Estimate
	1960	1961	1960	1961
	1,000 acres		1,000 100-lb. bags	
Dry beans.....	270	218	2,579	2,008
Dry peas.....	46	42	880	496
Lentils.....	39	30	293	196

AUSTRALIA SEEKS SHEEP MARKET IN LATIN AMERICA

A delegation from the Australian Corriedale Association is traveling to Latin America to investigate market possibilities for Australian breeding sheep.

Last year an Australian trade mission to Latin America reported that there was a probable market for up to 50,000 sheep in Mexico and 20,000 in Ecuador over a 2-year period. In the past, Australian breeding sheep have been exported to Chile, Peru, Argentina, Brazil, Colombia, Ecuador, and Uruguay.

Australia has an embargo on exports of Merino sheep but is anxious to export other types.

ITALIAN COTTON INDUSTRY EXPECTS FAVORABLE SEASON

The Italian cotton textile industry is looking forward to a favorable level of activity in the 1961-62 season (August-July). Consumption, however, may ease slightly from the 1,040,000 bales (500 pounds gross) used in 1960-61, the largest volume in more than 30 years.

Recent domestic and export sales of cotton goods have held up well, but some increase has occurred in inventories of yarn and textiles, and prices for these items have softened somewhat. Mills reportedly slowed operations somewhat in the second half of 1960-61, compared with the first 6 months, reflecting the weaker offtake. As with consumption, cotton imports in 1961-62 are expected to be about the same or slightly lower than last season, provided stocks are maintained at about the same level as is now expected.

Cotton imports into Italy in the first 11 months (August-June) of last season amounted to an estimated 986,000 bales--8 percent less than the 1,072,000 imported in the same months a year earlier. Despite smaller total imports, shipments from the United States were fully maintained, resulting in a larger market share for this country.

Quantities imported from chief suppliers from August 1960 through June 1961, with comparable 1959-60 figures in parentheses, were: United States 518,000 bales (516,000); Turkey 116,000 (143,000); Egypt 76,000 (102,000); Mexico 74,000 (56,000); Sudan 48,000 (47,000); U.S.S.R. 34,000 (80,000); Syria 23,000 (24,000); Greece 23,000 (23,000); and Iran 23,000 (15,000).

Despite the likelihood of reduced imports, stocks this season should be maintained near the beginning level of about 440,000 bales because smaller imports will probably be offset by smaller consumption and a larger domestic crop.

In spite of an increase in acreage, cotton production in Italy in 1961-62 is now forecast at 35,000 bales--down from earlier estimates because of dry weather. Although this figure is somewhat above last season's harvest of 27,000 bales, it is well below the 1959-60 crop of 53,000. In Sicily, where three-fourths of the crop is grown, the government is studying possibilities of increasing cotton production. However, irregular rainfall, the difficulty of providing sufficient irrigation water, and intense competition from other crops make it doubtful that widespread switching to cotton will take place in the near future.

As in other consuming countries, prices of imported cotton in Italy rose a cent a pound or more during the past year, with the shorter staples and lower grades showing the largest gains. The competitive position of U.S. cotton in Italian import markets, although well maintained, is less favorable than a few months ago, with U.S. offers continuing to edge upward, while prices of larger crops of Middle Eastern cotton now being marketed in quantity show less strength.

COITON: C.i.f. prices at Milan, generally for prompt shipment,
U.S. and comparable foreign growths, September 20, 1961

Country	Quality description		Cents per pound	
	Foreign	U.S. equiv.	Foreign	U.S.
Mexico.....	M 1-1/16"	M 1-1/16"	30.00	29.35
Mexico.....	SM 1-1/16"	SM 1-1/16"	30.60	30.30
Mexico.....	GM 1-3/32"	GM 1-3/32"	31.80	31.40
Pakistan.....	NT	M 1"	28.65	28.40
Pakistan.....	4F	M 7/8"	28.20	27.80
Turkey.....	Acala IA	M 1"	27.90	28.40
Greece.....	M 1-1/32"	M 1-1/32"	28.10	28.80
Greece.....	SM 1-1/16"	SM 1-1/16"	29.50	30.30

TURKISH DRIED FIG PACK ESTABLISHES RECORD

The 1961 dried fig crop in Turkey is estimated at 55,000 short tons, the largest ever harvested.

The estimate of the 1960 crop, also an exceptionally large one, has been revised upward to 52,000 tons. Average production from 1954 through 1958 was 34,400 tons.

Turkish exports in the 1960-61 season, based on unofficial data totaled 44,000 tons, probably the heaviest export tonnage ever attained in a marketing season. This total tentatively consisted of 25,300 tons of whole dried edible figs, 4,400 of industrial-grade dried figs, and 14,300 of fig paste. Turkish trade circles expect 1961-62 exports to approximate those of 1960-61.

Trade opinions in Turkey vary, however, as to the quantity of edible quality and particularly to the volume suitable for export as fig paste to the United States. Estimates of the latter range between 6,500 and 9,000 short tons.

BRAZIL TO SELL VEGETABLE OILS TO MAINLAND CHINA

Brazil will sell vegetable oils and other commodities to Mainland China during a 3-year period, and will purchase various goods from that country, according to a trade agreement signed on August 21.

Trade will now be direct, through the Bank of Brazil and the Bank of China, rather than through Hong Kong or London as in the past.

OUTTURN OF BEANS, PEAS, AND LENTILS LOWER IN YUGOSLAVIA

Production of beans, peas, and lentils in Yugoslavia dropped in 1961.

The country's bean harvest is estimated at 1.7 million bags--a 35-percent drop below 1960. The short crop is due to a severe drought. Production of peas and lentils also was reduced this year.

Yugoslavia exported about 121,000 bags of beans from the 1960 crop, principally to the U.S.S.R., East Germany, and Cuba. About 13,000 bags were purchased by Cuba in the first quarter of 1961.

PULSES: Yugoslav acreage and production, annual 1960 and 1961

Commodity	Acreage		Production	
	1960	1961	1960	1961
	1,000 acres		1,000 100-lb. bags	
Beans 1/.....	2,300	2,298	4,762	3,086
Peas.....	21	21	245	187
Lentils.....	4	4	22	17

1/ Interplanted and alone.

HIGHER DOMESTIC COTTON PRICES ESTABLISHED BY INDIA

The Government of India recently announced increases in ceiling prices of certain domestic cotton for the current Indian season (September-August).

The ceiling price for Kalyan Fine (25/32") was raised from 855 rupees per candy of 784 pounds to 870 rupees. This is equivalent to an increase from about 22.97 U.S. cents per pound to 23.38 cents. Increases were also made in the ceiling prices of other varieties, including Western Fine 13/16" from 870 rupees to 890 rupees, Khandesh Virnar 197/3 Fine 13/16" from 861 to 865, and Vidharbha and Madhya Pradesh Virnar 197/3 Fine 13/16" from 854 to 860. The Indian Government's action is reportedly intended to promote the production of more longer staple cottons.

Floor prices for the 1961-62 Indian cotton season were also raised (Foreign Crops and Markets, July 24, 1961). For several years, however, domestic cotton prices have usually remained near official ceilings.

RHODESIAS-NYASALAND EXPECTS
RECORD TUNG NUT CROP

A record tung nut crop is in prospect in the Nyasaland portion of the Federation of Rhodesia and Nyasaland. Production in 1960 and 1959 was 3,520 short tons and 4,350 tons, respectively.

Oil production from the 1961 crop is expected to be about 1,680 tons, compared with 1,225 and 1,500 in 1960 and 1959, respectively.

Exports of tung oil from the Federation probably will increase this year because of current favorable prices. In 1960 exports were 1,065 tons and in 1959, 1,634 tons.

Tung oil export prices, which averaged £118.89 per long ton (14.9 cents per pound), f.o.b. Beira in 1960, were £200 per ton (25 cents) in mid-September 1961. Prices are expected to maintain this level for some time in view of reported lower world production and stocks.

The 3 factories in Nyasaland have continued to act as their own selling agents for oil, and in general the system has been successful. The Nyasaland Tung Board has agreed to a request from the factories that the cost of expressing oil be increased from £15 per ton to £18 per ton (1.9 cents to 2.25 cents per pound). The increased charge will become effective at the beginning of the 1961 expressing season.

INDIA ANNOUNCES COTTON IMPORT QUOTA

In mid-September, India announced an import quota for cotton stapling one inch or below from Pakistan totaling 30,000 bales of 400 pounds gross (equivalent to about 24,000 bales of 500 pounds gross).

Import licenses will be issued on a first-come first-served basis, for shipment through February 1962. This is the first import quota announcement of the current Indian cotton season (September-August). Additional announcements will be published in Foreign Crops and Markets as available.

INDIA SETS PEANUT EXPORT QUOTA

India released on August 25 an export quota of 10,000 long tons of hand-picked-selected (H.P.S.) peanut kernels for shipment to all permissible destinations through June 1962.

This quota and the quotas released previously--in December 1960 and January 1961 (Foreign Crops and Markets, February 27, 1961)--mean that total allocations against the last peanut crop now are 50,000 tons of H.P.S. peanut kernels plus 2,000 tons of H.P.S. peanuts in the shell.

Indications are that India's 1961-62 peanut crop will be considerably larger than the 4.9 million short tons produced last year.

NEW PUBLICATIONS RELATING TO U.S. FOREIGN AGRICULTURAL TRADE

Single copies free to persons in the United States from the Foreign Agricultural Service, U.S. Department of Agriculture, Washington 25, D.C., Room 5922. Phone DUDley 8-2445.

World Banana Trade Reaches New High. Foreign Agriculture Circular FDAP 3-61.
3 pp.

U.S. Soybean Exports Maintain Record Rate; Edible Oils and Oilcakes Down.
Foreign Agriculture Circular FFO 16-61. 8 pp.

World Meat Trade Down Slightly in 1960. Foreign Agriculture Circular FLM
11-61. 5 pp.

World Rice Trade Up in 1960. Foreign Agriculture Circular FR 5-61. 4 pp.

About 316 Million Pounds of Tobacco Programed Under Title I, P.L. 480.
Foreign Agriculture Circular FT 18-61. 11 pp.

Citrus Industry of Spain. Foreign Agricultural Service. Foreign Agricultural
Report No. 56, Revised. 54 pp.



Growth Through Agricultural Progress

UNITED STATES DEPARTMENT OF AGRICULTURE

POSTAGE AND FEES PAID

WASHINGTON 25, D. C.

Official Business